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Proposed Attorneys for Sugarloaf Holdings

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF UTAH, CENTRAL DIVISION**

In re:

SUGARLOAF HOLDINGS, LLC.

Debtor.

Case No. 18-bk-27705

Chapter 11

Judge Kevin R. Anderson

**SUPPLEMENTAL DECLARATION OF BRIAN M.
ROTHSCHILD IN SUPPORT OF DEBTOR'S
APPLICATION AUTHORIZING THE EMPLOYMENT
AND RETENTION OF PARSONS BEHLE & LATIMER
AS ATTORNEYS FOR THE DEBTOR AND FOR
APPROVAL OF COMPENSATION PROCEDURES**

I, Brian M. Rothschild, declare as follows:

1. I am an attorney at law licensed in good standing in the States of Utah, Idaho, and California and I am a shareholder of the law firm of Parsons Behle & Latimer ("**Parsons Behle**" or the "**Firm**").

2. I am over the age of 18 and competent to testify as to the matters set forth herein. The facts set forth herein are based upon my personal knowledge or upon client/matter records of

Parsons Behle reviewed by me or by an employee of Parsons Behle acting under my supervision and direction.

3. I submit this Supplemental Declaration in support of the Application of Debtor Sugarloaf, Inc. (the “**Debtor**” or “**Sugarloaf**”) for an Order Authorizing the Employment and Retention of Parsons Behle & Latimer as Attorneys for the Debtor (the “**Application**”), filed concurrently herewith, and to make certain disclosures required under Rule 2014 of the Federal Rules of Bankruptcy Procedure.

4. My original declaration filed October 15, 2018 in this case is hereby incorporated by reference in its entirety. In addition to the facts attested to therein, the following facts bear on the final relief sought in the Application:

5. Parsons Behle attorney John Lund and certain other attorneys represent Trustee Gary E. Jubber, a former panel trustee and former attorney at Fabian VanCott, the firm of Fabian VanCott, and Douglas J. Payne (the “**Fabian Defendants**”) in the matters of *In re Brent David Christensen and Jo-Ann Hall Christensen*, Case No. 15-29773 (D. Utah) and *In re John Thomas Bird*, Case No. 15-29783 (D. Utah). The cases involve lawsuits by chapter 13 debtors against their former chapter 7 panel trustee, his attorney, and their law firm, the Fabian Defendants, but current chapter 13 debtors. Fabian Vancott attorneys Gerald Suniville and David Billings represent secured creditor Bank of the West in this chapter 11 case. While Parsons Behle feels that this connection should be disclosed to the Court, it does not present a material conflict, a conflict under the Bankruptcy Code or Rules of Professional Conduct, and would not materially affect the ability of Parsons Behle & Latimer to represent the Debtor in this case because the personnel assigned to the cases is different and the Fabian Defendants are not the same as Bank of the West.

6. At the interim hearing on the Application, the U.S. Trustee requested additional information related to the work performed in exchange for the \$35,000 earned-upon-receipt flat

fee charged by Parsons Behle to prepare the Debtor's chapter 11 case. In response, Parsons Behle has provided detailed time and expense records to the U.S. Trustee. Unless Parsons redacts them considerably, it will not publicly file them on the docket because the time records contain attorney-client privileged information. Nevertheless, the following is a breakdown by timekeeper and expense of the fees and expenses expended in advising the Debtor, understanding the business and capital structure, and doing all other work associated with preparing the Debtor's chapter 11 case:

Time expended:

Timekeeper Name	Title	Hours	Rate	Amount
Brian M. Rothschild	Shareholder	89.3	\$295.00	\$26,343.50
Grace S. Pusavat	Associate	3.4	240.00	816.00
Michael R. Brown	Associate	24.1	230.00	5,543.00
Suzanne Sase	Paralegal	7.0	160.00	1,120.00
Total:		123.8	Total:	\$33,822.50

Expenses:

Expense	Quantity	Rate	Amount
Photocopies	118	\$0.15	\$17.70
Chapter 11 Filing Fee	1	\$1,717.00	\$1,717.00
		Total:	\$1,734.70

Total Fees and Expenses: \$35,557.20

7. Because the Debtor desired certainty as to the amount it would cost to file the chapter 11 case, the Debtor and Parsons Behle negotiated a flat fee and earned-upon-receipt arrangement for pre-petition work. Parsons Behle took the risk that preparing and filing the chapter 11 case might cost more, even significantly more. The flat fee arrangement also allowed the Debtor and Parsons Behle to work without worrying about frequent pre-petition invoicing and payments, which adds an additional burden to both the Debtor and attorneys. Parsons Behle did, in fact, incur fees and expenses in excess of the \$35,000 flat fee charged.

I, Brian M. Rothschild, hereby declare, under penalty of perjury, pursuant to 28 U.S.C. § 1746, that the foregoing is true and correct.

DATED this 24th day of October, 2018.

/s/ Brian M. Rothschild

Brian M. Rothschild